

# POLICY BRIEF:

## *Land Use*

Should land use policy be modified to encourage increased affordable housing, and the development of housing for those who are homeless or those at risk of homelessness? If so, what should those land use policies look like?

10/1/2015



# POLICY BRIEF:

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What will your city or neighborhood look like? What kind of construction will be permitted or encouraged? What type of housing will there be and does it meet the needs of the community? These are questions that get addressed within the context of land use, which local governments regulate via statutory law to establish frameworks to plan and develop industrial, commercial, and housing uses. Within this context, land use has a critical impact on the availability of affordable housing, and the housing of those who are homeless or at risk of homelessness. This raises the question, should land use policy be modified to encourage increased affordable housing, which includes the development of housing for those who are homeless or those at risk of homelessness? If so, what should those land use policies look like?

## Key Issues Related to Land Use

### *Inclusionary Zoning*

The 2009 Palmer/Sixth Street Properties v. City of Los Angeles decision ruled against the City's inclusionary housing ordinance, which required a developer to offer a portion of rental units as low-income units or pay an in-lieu fee, because it was in violation of California's Costa-Hawkins Act (allowing owners in rent control communities to establish initial rental rates when there is a change in occupancy). This ruling severely limited California local governments' ability to provide affordable rental units. The recent California Supreme Court ruling allowing the City of San Jose's inclusionary housing ordinance to stand, which makes a percentage of for-sale housing units in new residential developments available to low and moderate income households, has little impact in addressing the increase of rental units to house those who are homeless or at risk of homelessness. There has been discussion that a legislative fix to the Costa-Hawkins Act could be made to allow local government to adopt inclusionary zoning of rental units.

Best Practice: In 2010, the City of San Jose approved the Citywide Inclusionary Housing Ordinance which requires that fifteen percent (15%) of all new market rate for-sale developments of 20 or more units be price-restricted and transferred to moderate-income purchasers.

Under the Ordinance, developers may satisfy their Inclusionary Housing Requirement by providing affordable units in their projects, paying in-lieu fees, dedicating developable land and/or purchasing surplus inclusionary units from other developers.

The Citywide Inclusionary Housing Ordinance was scheduled to take effect on January 1, 2013, but implementation was delayed by action of the Santa Clara County Superior Court, followed by the City's appeal of this decision. The California Supreme Court heard oral arguments in the case of the California Building Industry Association v. City of San Jose on April 8, 2015, and issued an opinion that validated the City's Inclusionary Housing Ordinance on June 15, 2015.

Other model inclusionary zoning ordinances include the cities of San Francisco, San Mateo, Sacramento, West Hollywood, Huntington Beach, and San Diego.

Questions:

- Should the County and cities develop an inclusionary zoning ordinance similar to the City of San Jose?
- What are the barriers to legislating change to the Costa-Hawkins Act to allow for inclusionary zoning of rental units?

***Housing Impact Fees***

Housing impact fees levied on market rate housing to build affordable housing is a powerful tool when the production of new market rate housing is projected to increase the need for affordable housing. For example, a linkage may be established by equating consumer spending by households purchasing new residential units to an increase in jobs within the community. Many of these jobs will be in low-wage industries that will require affordable housing for those employees. Many local governments have utilized housing impact fees to address the increased demand for affordable housing connected with new market-rate development.

Best Practice – The City of San Jose recently created the San Jose Affordable Housing Impact Fee (AHIF), which will charge \$17 per net square foot on all market-rate multi-family housing developments of 3 or more units, with the funds going towards the development of affordable housing. Other model ordinances include the County of San Mateo and the Cities of San Carlos, San Luis Obispo, Berkeley, and Fremont.

Questions:

- Should the County and cities implement a housing impact fee for affordable housing? What impact would this fee, in conjunction with other impact fees, have on development?
- Can housing impact fees generated by new development be used to house homeless people or assist those who are at risk of homelessness?

## Second Dwelling Units (Granny Flats)

State Assembly Bill 1866 became effective in July 2003, amending the Government Code to allow the creation of second dwelling units on residentially zoned lots to be considered ministerial without discretionary review or hearing. Both the County and City of Los Angeles have a second-unit ordinance (Attachment I). Benefits of the second dwelling unit ordinance include increased density lot by lot, increased affordable housing supply, and financial stability for owners.

### Number of Second Dwelling Unit Applications Approvals Since 2003

County of LA (Unincorporated Area)	City of LA
719	Pending

Best Practice - Sonoma County has an Affordable Second Dwelling Unit Program that provides property owners with specific incentives from the County to build a second dwelling unit in exchange for agreeing to keep the unit affordable to low-income households for 30 years (Attachment II). Santa Cruz's Accessory Dwelling Unit ordinance is recognized as one of the best in the state.

#### Questions:

- What has prevented the approval of more second dwelling units since the enactment of AB 1866 in 2003?
- How can existing policies be modified to increase the development of second-dwelling units?
- What can the County and cities do to assist in the preservation of existing non-permitted second dwelling units?
- What about fire/life safety issues?
- Would a second dwelling unit program similar to Sonoma County work here in Los Angeles?
- Would it be viable to provide property owners financial assistance to develop a second dwelling unit in exchange for keeping the unit affordable and available to very-low income residents?

### *Use of County/City Land to build Housing for Homeless People*

County and city owned property could potentially be used to develop short- and/or long-term housing for residents who are homeless or at risk of homelessness. For example, under-utilized County property near Los Angeles County + USC Medical Center could potentially be used to develop housing for homeless people.

Best Practice - Quixote Village located in Olympia, WA is an innovative, permanent housing project for chronically homeless adults that consists of 30 small cottages and a community building with showers, a kitchen, and social service, recreational,

and office space. This project is located on county-owned land that is leased to a non-profit organization for 40 years at \$1 per year (Attachment III).

Questions:

- What opportunities are there to utilize county and city owned properties for housing the homeless?
- What are the barriers to identifying and developing under-utilized county and city properties for housing the homeless?

***Local Zoning Regulations and Permitting Processes***

Local zoning regulations and permitting processes can be costly and/or time-consuming and thereby impede the development of affordable housing.

Question:

- What opportunities to increase the supply of affordable housing result from Los Angeles City's declaration of a homelessness emergency?

## Current Efforts

***County of Los Angeles***

The County of Los Angeles exercises land use authority in the unincorporated areas of the County. In the unincorporated areas, the County administers two existing regulatory affordable housing policies: the Density Bonus Ordinance and the Marina Del Rey Affordable Housing Policy.

*Density Bonus Ordinance* – Adopted in 2006, the Density Bonus Ordinance allows the County to grant a density bonus and a certain number of concessions or incentives when a developer is building five or more dwelling units and includes a specified percentage of affordable housing, market-rate senior citizen housing, or land donations for affordable housing. Types of incentives include reduction or modification of development standards or zoning code requirements, approval of mixed use zoning, or other concessions. As of the end of 2014, the County has approved a total of 871 affordable housing units pursuant to this ordinance.

*Marina Del Rey Affordable Housing Policy* – In 2009, the County adopted a revised policy to implement the Mello Act in Marina Del Rey, which requires that replacement dwelling units be comparable in size and reasonably disbursed throughout the development. The policy requires, where feasible, the construction of five percent low- and five percent moderate-income housing units, which may be accounted for by the replacement units. As of July 2012, over 225 affordable housing units have been planned or approved in Marina Del Rey, with 47 units available to seniors.

### *City of Los Angeles*

The City has established an Affordable Housing Incentives Program to encourage the production of housing for qualified lower income residents, elderly, and disabled persons. The Program includes density bonus and set asides similar to the County, including:

- Reduced parking requirements for restricted affordable units;
- Waiver of guest parking provisions for restricted affordable units;
- Deferred payment of selected permits and fees; and
- Expedited processing of building Plans and permits.

## Resources

- Do any of these strategies require any public funding? If so, which strategies and what are the potential sources of that funding?

## Legislative Advocacy

- Are there any changes in local, state or federal law which should be pursued?

## Potential Policy Options

- The County and cities may want to reconsider implementing inclusionary zoning and impact fee ordinances, as well as advocate for legislative changes to the Costa-Hawkins Act to allow for inclusionary zoning of rental units.
- The County and cities could explore modifications to their current second dwelling ordinances in order to increase the number of affordable housing units.
- The County and cities could explore the feasibility of providing residential owners with financial incentives to add a second dwelling unit in exchange for keeping the unit affordable and/or renting to homeless/families individuals referred by the County or a city for a specified amount of time.
- The County and cities could look into utilizing County and city land to develop housing for homeless people or those at risk of homelessness.

**Second Unit Ordinance**

CHAPTER 22.52 PART 16 (22.52.1700-22.52.1770)

<b>A Second Unit may be permitted with a Site Plan Review if:</b>	<ul style="list-style-type: none"><li>• The property is zoned residential or agricultural.</li><li>• The property has no detached living quarters, guest houses, mobilehomes, or caretaker’s residence.</li><li>• The property is a legal lot or has an approved and recorded Certificate of Compliance.</li><li>• Access is from an existing street with a minimum of 50 foot right-of-way width.</li><li>• At least one of the units must remain owner-occupied (covenant required).</li></ul>																		
<b>A Second Unit is prohibited if the property is located:</b>	<ul style="list-style-type: none"><li>• In a Significant Ecological Area.</li><li>• In an Environmentally Sensitive Habitat Area (Malibu Coastal Plan).</li><li>• On slopes of 25% or more.</li><li>• In a Noise zone (near airports).</li></ul>																		
<b>A CUP is required if:</b>	<ul style="list-style-type: none"><li>• The property is located in a Very high fire hazard severity zone.</li><li>• Public sewer or water is not available.</li></ul>																		
<b>Additional information to be submitted with the Site Plan application:</b>	<ul style="list-style-type: none"><li>• “Will-serve” letter from the water company.</li><li>• Certification letter from LA County Waterworks/Sewer Maintenance Division.</li><li>• If any portion of the second unit is located more than 150 feet from the street, Fire Department approval of Plot Plan is required.</li><li>• Copy of recorded Grant Deed.</li><li>• Copy of gas or electric bill.</li><li>• Copies of Building Description Blank/Slip from LA County Assessor’s office.</li><li>• Copies of Building Permits from LA County Building &amp; Safety office.</li></ul>																		
<b>DEVELOPMENT STANDARDS</b>	<i>(May not apply to areas located in a Community Standards District. The more restrictive standards apply.) (A Variance is required to modify these development standards, except otherwise specified below.)</i>																		
<b>Minimum Lot Size</b>	Urban land use category: 5,000 square feet of net lot area. <i>Exception-</i> Attached and within the footprint of the existing residence: None Rural land use category: 1 acre of gross lot area.																		
<b>Maximum Second Unit Size</b> (minimum floor area: 220 sq. ft.)	<table><tr><td>Urban</td><td>Parcel Size (Sq. Ft.)</td><td>Second Unit Maximum Floor Area (Sq. Ft.)</td></tr><tr><td></td><td>5,999 or less</td><td>600</td></tr><tr><td></td><td>6,000 to 7,499</td><td>800</td></tr><tr><td></td><td>7,500 to 9,999</td><td>1,000</td></tr><tr><td></td><td>10,000 or larger</td><td>1,200</td></tr><tr><td>Rural</td><td>One acre or more</td><td>1,200</td></tr></table>	Urban	Parcel Size (Sq. Ft.)	Second Unit Maximum Floor Area (Sq. Ft.)		5,999 or less	600		6,000 to 7,499	800		7,500 to 9,999	1,000		10,000 or larger	1,200	Rural	One acre or more	1,200
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Rural	One acre or more	1,200																	
<b>Yard Setback</b>	Urban: Front yard- 20 feet, side yard- 5 feet, rear yard- 15 feet. (May be modified by Yard Modification, instead of Variance.) 30 feet alley dedication shall be observed. Rural: Front, side and rear yard setbacks of 35 feet are required. Equestrian districts: Side yard or rear yard setback of 35 feet, unless second story unit is attached and within the footprint of the existing residence. Separation between dwelling units: 10 Feet. (May be modified by Yard Modification, instead of Variance.)																		
<b>Maximum Height</b>	Urban Detached 17 Feet. Attached 20 Feet. <ul style="list-style-type: none"><li>• Any portion set back more than 20 feet from the front property line may have 1 additional foot in height for every additional foot setback. Maximum of 35 feet.</li><li>• Any portion set back more than 5 feet from the side property line may have 1 additional foot in height for every additional foot setback. Maximum of 35 feet.</li></ul> Rural 35 Feet.																		
<b>Maximum Lot Coverage</b>	Urban 40 percent of the net lot area. Rural Front, side and rear yard depth of 35 feet.																		
<b>Parking and Driveway</b>	<ul style="list-style-type: none"><li>• May be tandem if accessible to a driveway.</li><li>• Driveway must be a minimum of 10 feet in width.</li><li>• 26 feet of clear backup space must be provided.</li><li>• Existing residence must have 2 covered (17’ x 18’) parking spaces.</li><li>• Cannot be located in rear or side yard setback unless located 75’ from front property line.</li><li>• Cannot be located in front yard setback unless on sloping terrain (see Zoning Code 22.48.140).</li></ul> <b>Additional parking needed for 2<sup>nd</sup> unit -</b> One bedroom: 1 uncovered (8½’ x 18’) parking space. Two or more bedrooms: 2 uncovered (17’ x 18’) parking spaces.																		

## Second Unit Ordinance

CHAPTER 22.52 PART 16 (22.52.1700-22.52.1770)

### **Water Service Provider Certification**

Contact the water company that serves the subject property to request a “will-serve” letter for the second unit.

### **Sewer Service Provider Certification**

Department of Public Works  
Sewer Maintenance Division  
Sewer Plan Check Unit  
1000 S. Fremont Ave. Bldg A9-E, 4<sup>th</sup> Floor  
Alhambra, CA 91803-1331  
Website: [dpw.lacounty.gov/SMD/SMD](http://dpw.lacounty.gov/SMD/SMD)  
Phone: (626) 300-3309

### **Fire Department Plan Check Unit**

Fire Prevention Engineering Section  
Plan Check Unit  
5823 Rickenbacker Road  
Commerce, CA 90040-3027  
Phone: (323) 890-4125  
Fax: (323) 890-4129

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- Any modification to the development standards of the Second Unit Ordinance requires Variance approval.
  - A complete Second Unit application includes ALL of the following items:
    - ☐ Site Plan Review application with original signatures.
    - ☐ 3 sets of scaled drawings which include the site plan, floor plan and elevations. Plans must be folded into sets no larger than 8 ½” x 14”. Structural and mechanical drawings are not necessary.
    - ☐ Printed color photographs of the entire site. The proposed location of the Second Unit should be clearly identified on the photos.
    - ☐ All letters, the recorded grant deed and a utility bill.
    - ☐ All information must be complete and clearly identified on the plans.
    - ☐ Applicable Site Plan Review filing fees.
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### **INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED**

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***The applicant is responsible for complying with all requirements of the Chapter 22.52.17, including those not listed on this summary to the satisfaction of Los Angeles County Department of Regional Planning.***





## OFFICE OF ZONING ADMINISTRATION

City Hall • 200 N. Spring Street, Room 763 • Los Angeles, CA 90012



## OFFICE OF ZONING ADMINISTRATION

### MEMORANDUM

ZA MEMORANDUM NO. 120

May 6, 2010

TO: Office of Zoning Administration  
Public Counters  
Interested Parties  
Department of Building and Safety

FROM: Michael LoGrande *ML*  
Chief Zoning Administrator

SUBJECT: **SECOND DWELLING UNITS PURSUANT TO AB 1866**

State Assembly Bill 1866 became effective on July 1, 2003 amending Government Code Sections 65583.1, 65852.2 and 65915 that allows the creation of second dwelling units on residentially zoned lots, be considered ministerially without discretionary review or hearing. The intention of this memorandum is to assist with implementing AB 1866. It supersedes a previous memorandum issued by Robert Janovici, former Chief Zoning Administrator, and Peter Kim, former Zoning Engineer, dated June 23, 2003.

A second dwelling unit is permitted by right on a lot if it meets ALL of the following AB 1866 standards:

1. The second unit is not intended for sale and may be rented;
2. The lot is zoned for single-family or multi-family use;
3. The lot contains an existing single-family dwelling;
4. The second unit is either located within the living area of the existing dwelling (attached) or on the same lot as the existing dwelling (detached);
5. The total area of the increased floor area of an attached second unit does not exceed 30 percent of the existing floor area;
6. The total area of the floor area for a detached second unit does not exceed 1,200 square feet;
7. The requirements relating to height, setback, lot coverage, architectural review, site plan review, fees, charges, and other zoning requirements generally applicable to residential construction in the zone in which the property are met;

8. The local building code requirements which apply to dwellings, as appropriate, are also met; and
9. A minimum of one additional covered or uncovered off-street parking space is provided. If not otherwise prohibited by the zoning ordinance or any other land use regulation, tandem parking is allowed and the parking space may be located in a required yard.

#### APPROVAL

If the proposed second dwelling unit meets all nine AB 1866 standards, the Department of Building and Safety shall approve the plans and issue a building permit. If the proposed unit meets all nine standards but is governed by an historic preservation overlay zone, specific plan, or other zoning regulation that requires architectural review or a similar type of review, then the Department of Building and Safety shall refer the applicant to the Department of City Planning. The Planning Department may impose conditions on the project as a result of this architectural or similar review, but may not deny the second unit if it otherwise meets all nine AB 1866 standards.

#### ALTERNATIVE APPROVAL

If a proposed second dwelling unit does not comply with the nine standards listed above, then AB 1866 does not apply and all applicable regulations in the zoning code govern. If an applicant still wishes to build a second unit, then two options may be available:

First Option. Obtain all necessary approvals as provided by the zoning code. For example, if a proposed second dwelling unit complies with all nine standards set forth above except the required rear yard, then the applicant would have to file for two discretionary land use approvals: (1) an adjustment, pursuant to LAMC Section 12.28, for a reduced rear yard; and (2) a variance, pursuant to LAMC Section 12.27, for an increase in density to permit an additional unit on a lot where the zoning only allows one dwelling unit.

Second Option. Obtain an approved conditional use permit from the Zoning Administrator pursuant to either LAMC Section 12.24-W,43 or LAMC Section 12.24-W,44, subject to all applicable requirements and limitations set forth in those sections.

#### MULTIPLE DWELLING ZONES

AB 1866 shall not be construed to allow an increase in the density of a zone that may permit two or more dwelling units on a single lot. For example, a third dwelling unit on a lot zoned R2 is not allowed by right pursuant to AB 1866.



## Affordable Second Dwelling Unit Program

### Introduction

The Sonoma County Permit and Resource Management Department (PRMD) and the Sonoma County Community Development Commission (CDC) administer the County's affordable second dwelling unit program. This program is available to property owners who wish to receive specified incentives from the County needed to build a second dwelling unit on their property. Owner participation is voluntary.

This County program will allow a larger second unit, a larger garage for the second unit or, in some cases, a second unit where zoning or other regulations would otherwise not permit a second unit. This program also may allow a property owner to legalize an existing illegal second dwelling unit. In return, the owner agrees to maintain the unit as affordable to low-income households for a period of 30 years.

The owner and County will execute an affordable housing agreement regulating usage of the affected second dwelling unit. This agreement will specify affordability requirements, the approved rent and income levels, and the period of affordability. The County will record the agreement that will run with the land.

This brochure summarizes the main elements of the second dwelling unit program for property owners, realtors, residents and local officials who have an interest in affordable second units in the unincorporated areas of Sonoma County. Anyone contemplating developing a unit under the County's affordable second dwelling unit program should meet with staff from PRMD and CDC to review the program's requirements in detail.

### I. Affordability Requirements:

The property owner agrees to meet the following affordability requirements:

- A. Second units are affordable and restricted to households at or below 80% of the median area income, adjusted for household size.
- B. Units remain affordable for a minimum period of 30 years.

- C. The owner, members of the owner's household, and owner's dependents may not occupy the affordable second dwelling unit.
- D. The affordable unit must be offered for year-round rental, not seasonal or vacation rental.

### II. Incentives:

The affordable second dwelling unit program provides the following incentives:

- A. Maximum size of second units may be increased from 840 to 1,000 square feet.
- B. Maximum size of the attached garage space may be increased from 400 to 500 square feet.
- C. Minimum lot size in rural areas may be reduced to 1.5 acres gross (except in Class 3 and 4 Water Scarce Areas).
- D. Minimum lot size in urban areas may be reduced to 5,000 square feet.

An affordable second dwelling unit must meet all other zoning, building and environmental health standards.

### III. Income Limits:

Households occupying an affordable second dwelling unit may not have annual incomes that exceed the limits established for low-income households, adjusted for household size. Determined annually by the U.S. Department of Housing and Urban Development (HUD), low-income does not exceed 80% of the median income for Sonoma County. The current income limits are indicated on Attachment 1.

### IV. Rent Limits:

Monthly rent for the affordable second dwelling unit may not exceed one twelfth (1/12) of 30% of 60% of the annual median area income, adjusted for the assumed household size. Assumed household size equals the number of bedrooms in the unit plus one. For example, the assumed household size for a studio is one person; for a one-bedroom unit, it is two people. The owner may charge no rent, but the tenant must be income-eligible.

Attachment 1 lists the current gross rent limits. These rents will be reduced by a utility allowance for estimated tenant-paid utilities (see Attachment 2).

## **V. Procedures and Process:**

### **A. Project Approval Process:**

To obtain approval of an affordable second dwelling unit, a property owner submits the appropriate application to:

Permit and Resource Management Department  
County of Sonoma  
2550 Ventura Avenue  
Santa Rosa, CA 95403  
Telephone: 707/565-1900; Fax: 707/565-1103

PRMD will process each application for a second dwelling unit and determine whether or not it meets the program requirements. When the evaluation is complete and the owner has agreed to the affordability requirements, PRMD will send the CDC a PRMD/CDC Referral letter that describes the project, the number of bedrooms in the affordable second dwelling unit, and the owner's obligations concerning long-term affordability of the unit.

When the CDC receives the PRMD/CDC Referral letter, and the owner has submitted an Affordable Housing Agreement Application (Attachment 3) and the application fee to CDC for preparation of the Affordable Housing Agreement, the CDC will prepare the Affordable Housing Agreement. In most cases, the CDC will prepare the Affordable Housing Agreement and submit it to the owner for notarized signature within one week of receiving the PRMD/CDC Referral letter, the owner's Application and the application fee.

When the owner returns the signed Agreement, the CDC's Executive Director will execute the Agreement and record it. The Agreement can be recorded in a lien position subordinate to the owner's construction and permanent financing.

### **B. Adjustments to Rent and Income Limits:**

The CDC will set rent limits annually using income limits that the U.S. Department of Housing and Urban Development issues for Sonoma County. Each year, the CDC will notify all participating property owners of the new rent and income limits as soon as they become available.

### **C. Monitoring Procedures:**

When an affordable second unit becomes occupied, the owner will maintain a tenant file containing the initial income verification and annual income recertifications for each tenant who resides in the affordable second dwelling unit. At least annually, the owner will submit a Compliance Report, on forms the CDC will provide, verifying that the project is in compliance with the Agreement. The Report is due each January for the previous calendar year.

Periodically, the Commission's program staff will visit each affordable second dwelling unit to inspect tenant files and the condition of the unit. The staff may review any records pertaining to the affordable second dwelling unit, including tenant files, ledgers and payment records.

Annually, the owner of an affordable second dwelling unit will pay a fee for each affordable unit to cover the cost of the CDC's program administration.

**These procedures are subject to change. Departure from the established procedures will require pre-approval.**

## Tiny Houses: Quixote Village

### Summary

Quixote Village is a new, innovative, permanent supportive housing project for chronically homeless adults that consist of 30 small cottages and a community building with showers, a kitchen, and social service, recreational, and office space. The project is located in the City of Olympia, Washington, on land leased for 40 years from Thurston County for \$1/year. The Village houses 30 homeless adults at any given time, and due to turnover houses approximately 45 people each year.

### About Quixote Village

- Quixote Village is a self-governing community of 30 previously homeless adults.
- The Village consists of 30 tiny (144 sq. ft interior) cottages, and a community building that contains a shared kitchen, dining area, living room, showers, laundry, and office and meeting space.
- The Village site is 2.17 acres, and includes space for a large vegetable garden and personal “door yard” gardens in front of each cottage.
- The Village is staffed by a full-time Program Manager and a part-time Resident Advocate.
- The Village is supported by Panza, a 501C3 non-profit organization.

### Requirements for Residence at the Village

- Background checks are required; residents may not have outstanding warrants, a recent history of violence or theft, and may not be sex offenders.
- Village residents are expected to be clean and sober; urine analysis may occur.
- Residents are expected to pay for one-third of their monthly income as rent, participate in regular meetings, and share responsibilities for maintaining common areas and vegetable garden.

### History

- In February, 2007, a homeless camp was established in a downtown Olympia parking lot to protest a city ordinance that forbade sitting or lying on a sidewalk. When police threatened to break up the camp, a local church offered campers sanctuary on their grounds.
- The founders of Camp Quixote hoped to find land and build a village for themselves, consisting of tiny houses and a shared building that would house showers, laundry, and cooking facilities.
- For the next six+ years, the camp moved from one church parking lot to another every three to six months under the terms of an ordinance that regulated it.
- Camp Quixote moved into the Village on December 24, 2013.

### What the Village Cost

- The total cost of the Village was \$3.05 million. (Development costs, infrastructure, materials, labor, the community building, permits, fees, required road improvements, donated land and services etc.) The cost for each cottage was about \$19,000.
- Thurston County leased the land for \$1 a year for 41 years.
- Substantial donated services from architect, civil engineer, and others.
- Total cost (including donated services, materials, and land) per unit was \$101,567 per unit. The avg cost of studio apartments for low-income people is \$200,000 per unit.

- Actual cost paid for the Village was just under \$88,000 per unit (due to no paying for land and some high-value services such as architecture and engineering).

### **Where the Money Came From**

- \$1.5 million in the state capital budget, which came through the state Department of Commerce's Housing Trust Fund
- \$699,000 from federal Community Development Block Grant funding that came through Thurston County and the City of Olympia
- \$170,000 in Thurston County funding from state document recording fees
- \$215,000 in community donations, including the Nisqually and Chehalis Tribes, the Boeing Employees' Fund, and individual donors

### **Permitting Process**

- Quixote Village began as a protest in a downtown Olympia parking lot in February, 2007. When police threatened to break it up, the local Unitarian church offered it sanctuary on church grounds.
- Within a few months, the City adopted an ordinance which added a new chapter, 18.50 – Homeless Encampments to the Olympia Zoning Code. This new zone allowed a temporary homeless encampment to reside on property owned and managed by religious organizations for up to ninety days (later extended to 180 days).
- In response to Thurston County's donation of the land, in 2012 the Olympia City Council passed a one-time amendment to the zoning code which authorized a single "permanent homeless encampment" on County land.
- Any future "permanent housing encampments" to be constructed, additional code amendments would have to be enacted.
- After meeting all applicable City engineering, building, and fire codes, the project was finally constructed under a conditional use permit for 30 individual Tiny Cottage units and a 1700 sq. ft. shared common house in a light industrial zone.

<b>Code Requirement</b>	<b>Compliance Path</b>
International Residential Code R-3	Individual units had to meet requirements of IRC; individual tiny homes were considered sleeping units rather than accessory dwelling units, similar to assisted living SROs because they each have individual toilets, but not kitchens.
Olympia Municipal Code, Chapter 18.50 - Homeless Encampment	City Council Adopted Change to Comp. Plan and Zoning Code to allow project
Olympia Municipal Code, Chapter 18.48 - Conditional Uses	Project had to obtain conditional use permit for siting residential units in a light-industrial zone; code was amended to allow this use



